

FIRST REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
SENATE COMMITTEE SUBSTITUTE NO. 2 FOR  
**SENATE BILL NO. 52**  
**92ND GENERAL ASSEMBLY**

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Reported from the Committee on Tax Policy, April 15, 2003, with recommendation that the House Committee Substitute for Senate Committee Substitute No. 2 for Senate Bill No. 52 Do Pass by Consent.

STEPHEN S. DAVIS, Chief Clerk

0328L.08C

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**AN ACT**

To repeal section 143.183, RSMo, and to enact in lieu thereof one new section relating to the taxation of nonresident professional athletes and entertainers.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Section 143.183, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 143.183, to read as follows:

143.183. 1. As used in this section, the following terms mean:

(1) "Nonresident entertainer", a person residing or registered as a corporation outside this state who, for compensation, performs any vocal, instrumental, musical, comedy, dramatic, dance or other performance in this state before a live audience and any other person traveling with and performing services on behalf of a nonresident entertainer, including a nonresident entertainer who is paid compensation for providing entertainment as an independent contractor, a partnership that is paid compensation for entertainment provided by nonresident entertainers, a corporation that is paid compensation for entertainment provided by nonresident entertainers, or any other entity that is paid compensation for entertainment provided by nonresident entertainers;

(2) "Nonresident member of a professional athletic team", a member of a professional athletic team residing outside this state, including any active player, any player on the disabled list if such player is in uniform on the day of the game at the site of the game, and any other person traveling with and performing services on behalf of a professional athletic team;

**EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law. Matter in boldface type in the above law is proposed language.**

15 (3) "Personal service income" includes exhibition and regular season salaries and wages,  
16 guaranteed payments, strike benefits, deferred payments, severance pay, bonuses, and any other  
17 type of compensation paid to the nonresident entertainer or nonresident member of a professional  
18 athletic team, but does not include prizes, bonuses or incentive money received from competition  
19 in a livestock, equine or rodeo performance, exhibition or show;

20 (4) "Professional athletic team" includes, but is not limited to, any professional baseball,  
21 basketball, football, soccer and hockey team.

22 2. Any person or entity who pays compensation to a nonresident entertainer shall deduct  
23 and withhold from such compensation as a prepayment of tax, an amount equal to two percent  
24 of the total compensation paid to the nonresident entertainer.

25 3. Any person or entity required to deduct and withhold tax pursuant to subsection 2 of  
26 this section, shall, for each calendar quarter, on or before the last day of the month following the  
27 close of such calendar quarter, remit the taxes withheld in such form or return as prescribed by  
28 the director of revenue and pay over to the director of revenue or to a depository designated by  
29 the director of revenue the taxes so required to be deducted and withheld.

30 4. Notwithstanding other provisions of this chapter to the contrary, the commissioner of  
31 administration, for all taxable years beginning on or after January 1, 1999, but none after  
32 December 31, [2008] **2015**, shall annually estimate the amount of state income tax revenues  
33 collected pursuant to this chapter which are received from nonresident members of professional  
34 athletic teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal  
35 year for a period of [nine] **sixteen** years, sixty percent of the annual estimate of taxes generated  
36 from the nonresident entertainer and professional athletic team income tax shall be allocated  
37 annually to the Missouri arts council trust fund, and shall be transferred[, subject to  
38 appropriation,] from the general revenue fund to the Missouri arts council trust fund established  
39 in section 185.100, RSMo, and any amount transferred shall be in addition to such agency's  
40 budget base for each fiscal year. Notwithstanding other provisions of this section, the Missouri  
41 arts council shall not be appropriated more than ten million dollars in any fiscal year. The  
42 director shall by rule establish the method of determining the portion of personal service income  
43 of such persons that is allocable to Missouri.

44 5. Notwithstanding the provisions of sections 186.050 to 186.067, RSMo, to the  
45 contrary, the commissioner of administration, for all taxable years beginning on or after January  
46 1, 1999, but for none after December 31, [2008] **2015**, shall estimate annually the amount of  
47 state income tax revenues collected pursuant to this chapter which are received from nonresident  
48 members of professional athletic teams and nonresident entertainers. For fiscal year 2000, and  
49 for each subsequent fiscal year for a period of [nine] **sixteen** years, ten percent of the annual  
50 estimate of taxes generated from the nonresident entertainer and professional athletic team

51 income tax shall be allocated annually to the Missouri humanities council trust fund, and shall  
52 be transferred[, subject to appropriation,] from the general revenue fund to the Missouri  
53 humanities council trust fund established in section 186.055, RSMo, and any amount transferred  
54 shall be in addition to such agency's budget base for each fiscal year.

55         6. Notwithstanding other provisions of section 182.812, RSMo, to the contrary, the  
56 commissioner of administration, for all taxable years beginning on or after January 1, 1999, but  
57 for none after December 31, [2008] **2015**, shall estimate annually the amount of state income tax  
58 revenues collected pursuant to this chapter which are received from nonresident members of  
59 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each  
60 subsequent fiscal year for a period of [nine] **sixteen** years, ten percent of the annual estimate of  
61 taxes generated from the nonresident entertainer and professional athletic team income tax shall  
62 be allocated annually to the Missouri state library networking fund, and shall be transferred[,  
63 subject to appropriation,] from the general revenue fund to the secretary of state for distribution  
64 to public libraries for acquisition of library materials as established in section 182.812, RSMo,  
65 and any amount transferred shall be in addition to such agency's budget base for each fiscal year.

66         7. Notwithstanding other provisions of section 37.200, RSMo, to the contrary, the  
67 commissioner of administration, for all taxable years beginning on or after January 1, 1999, but  
68 for none after December 31, [2008] **2015**, shall estimate annually the amount of state income tax  
69 revenues collected pursuant to this chapter which are received from nonresident members of  
70 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each  
71 subsequent fiscal year for a period of [nine] **sixteen** years, ten percent of the annual estimate of  
72 taxes generated from the nonresident entertainer and professional athletic team income tax shall  
73 be allocated annually to the Missouri public television broadcasting corporation special fund, and  
74 shall be transferred[, subject to appropriation,] from the general revenue fund to the Missouri  
75 public television broadcasting corporation special fund established in section 37.200, RSMo, and  
76 any amount transferred shall be in addition to such agency's budget base for each fiscal year;  
77 provided, however, that twenty-five percent of such allocation shall be used for grants to public  
78 radio stations which were qualified by the corporation for public broadcasting as of November  
79 1, 1996. Such grants shall be distributed to each of such public radio stations in this state after  
80 receipt of the station's certification of operating and programming expenses for the prior fiscal  
81 year. Certification shall consist of the most recent fiscal year financial statement submitted by  
82 a station to the corporation for public broadcasting. The grants shall be divided into two  
83 categories, an annual basic service grant and an operating grant. The basic service grant shall  
84 be equal to thirty-five percent of the total amount and shall be divided equally among the public  
85 radio stations receiving grants. The remaining amount shall be distributed as an operating grant  
86 to the stations on the basis of the proportion that the total operating expenses of the individual

87 station in the prior fiscal year bears to the aggregate total of operating expenses for the same  
88 fiscal year for all Missouri public radio stations which are receiving grants.

89 8. Notwithstanding other provisions of section 253.402, RSMo, to the contrary, the  
90 commissioner of administration, for all taxable years beginning on or after January 1, 1999, but  
91 for none after December 31, [2008] **2015**, shall estimate annually the amount of state income tax  
92 revenues collected pursuant to this chapter which are received from nonresident members of  
93 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each  
94 subsequent fiscal year for a period of [nine] **sixteen** years, ten percent of the annual estimate of  
95 taxes generated from the nonresident entertainer and professional athletic team income tax shall  
96 be allocated annually to the Missouri department of natural resources Missouri historic  
97 preservation revolving fund, and shall be transferred[, subject to appropriation,] from the general  
98 revenue fund to the Missouri department of natural resources Missouri historic preservation  
99 revolving fund established in section 253.402, RSMo, and any amount transferred shall be in  
100 addition to such agency's budget base for each fiscal year. As authorized pursuant to subsection  
101 2 of section 30.953, RSMo, it is the intention and desire of the general assembly that the state  
102 treasurer convey, to the Missouri investment trust on January 1, 1999, up to one hundred percent  
103 of the balances of the Missouri arts council trust fund established pursuant to section 185.100,  
104 RSMo, and the Missouri humanities council trust fund established pursuant to section 186.055,  
105 RSMo. The funds shall be reconveyed to the state treasurer by the investment trust as follows:  
106 the Missouri arts council trust fund, [on] **no earlier than** January 2, 2009; and the Missouri  
107 humanities council trust fund, [on] **no earlier than** January 2, 2009.